

SEP 16 2005

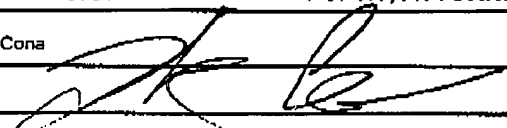
PTO/SB/21 (09-04)

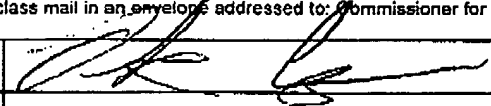
Approved for use through 07/31/2006. OMB 0851-0031
U.S. Patent and Trademark Office; U.S. DEPARTMENT OF COMMERCE

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number.

TRANSMITTAL FORM (to be used for all correspondence after initial filing)	Application Number	08/578,985	
	Filing Date	May 24, 2000	
	First Named Inventor	Richard Palmeri	
	Art Unit	3628	
	Examiner Name	Bul, Thach H.	
Total Number of Pages In This Submission	8	Attorney Docket Number	1029-03

ENCLOSURES (Check all that apply)		
<input type="checkbox"/> Fee Transmittal Form	<input type="checkbox"/> Drawing(s)	<input type="checkbox"/> After Allowance Communication to TC
<input type="checkbox"/> Fee Attached	<input type="checkbox"/> Licensing-related Papers	<input type="checkbox"/> Appeal Communication to Board of Appeals and Interferences
<input type="checkbox"/> Amendment/Reply	<input type="checkbox"/> Petition	<input type="checkbox"/> Appeal Communication to TC (Appeal Notice, Brief, Reply Brief)
<input checked="" type="checkbox"/> After Final	<input type="checkbox"/> Petition to Convert to a Provisional Application	<input type="checkbox"/> Proprietary Information
<input type="checkbox"/> Affidavits/declaration(s)	<input type="checkbox"/> Power of Attorney, Revocation	<input type="checkbox"/> Status Letter
<input type="checkbox"/> Extension of Time Request	<input type="checkbox"/> Change of Correspondence Address	<input type="checkbox"/> Other Enclosure(s) (please identify below):
<input type="checkbox"/> Express Abandonment Request	<input type="checkbox"/> Terminal Disclaimer	
<input type="checkbox"/> Information Disclosure Statement	<input type="checkbox"/> Request for Refund	
<input type="checkbox"/> Certified Copy of Priority Document(s)	<input type="checkbox"/> CD, Number of CD(s) _____	
<input type="checkbox"/> Reply to Missing Parts/Incomplete Application	<input type="checkbox"/> Landscape Table on CD	
<input type="checkbox"/> Reply to Missing Parts under 37 CFR 1.52 or 1.53	Remarks	

SIGNATURE OF APPLICANT, ATTORNEY, OR AGENT		
Firm Name	Frank A. Cona	
Signature		
Printed name	Frank A. Cona	
Date	September 16, 2005	Reg. No. 38,412

CERTIFICATE OF TRANSMISSION/MAILING	
I hereby certify that this correspondence is being facsimile transmitted to the USPTO or deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on the date shown below:	
Signature	
Typed or printed name	Frank A. Cona
Date	September 16, 2005

This collection of information is required by 37 CFR 1.5. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11 and 1.14. This collection is estimated to 2 hours to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.

SEP 16 2005

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Art Unit : 3628
Examiner : Bui, Thach H.
Serial No. : 09/578,085
Filed: : May 24, 2000
Inventor : Richard Palmeri
Title : SYSTEM FOR ELECTRONIC
: RE-ALLOCATION OF A
: TRANSACTION AMOUNT TO
: AN INVESTMENT

Docket: 1029-03

Dated: September 16, 2005

RESPONSE

Commissioner for Patents
P. O. Box 1450
Alexandria, VA 22313-1450

Sir:

This is in response to the Official Action dated June 16, 2005.

We respectfully submit that solicited Claims 30-58 are patentable over Kalina (U.S. Patent No. 5,970,480).

As a preliminary matter, we again respectfully note that because the Kalina reference issued less than one year prior to the filing of the instant application it is only available as a reference under 35 U.S.C. 102(e) / 103(a), and, because the Applicant conceived of the invention in this country prior to the filing of the Kalina patent – as demonstrated by Mr. Palmeri's declaration (discussed in more detail below) – the Kalina reference is not prior art to the claimed invention. Applicant's position in this regard was apparently not clear in the last filed response.

We respect note that Mr. Palmeri's declaration and its attached documentation was previously accepted by the Examiner in overcoming the Barrameda and Hardesty references, because Mr. Palmeri had demonstrated that he invented the subject matter of the claimed invention in this country prior to the effective filing date of those references as well.

However, Mr. Palmeri's declaration has now been rejected for apparently three reasons: 1) the declaration allegedly does not show a nexus or tie with the claimed invention, 2) the document allegedly does not hint or show that Mr. Palmeri conceived of the claimed invention prior to the filing date of the Kalina reference, and 3) there is allegedly no clear indications of a

date in Mr. Palmeri's declaration noting that the claimed invention was conceived prior to the filing date of the Kalina reference.

As to the nexus to the claimed invention, we respectfully note that Mr. Palmeri's declaration expressly states in paragraph 3 that the Confidential Executive Summary sent by Mr. Palmeri to Charles Hamm of Independence Savings Bank "set forth the claimed invention." In this regard, we respectfully note that the claimed invention has not changed since Mr. Palmeri's declaration was submitted.

The document that Mr. Palmeri had sent to Mr. Hamm does, in fact, clearly set forth the claimed invention:

Sample Claim	Excerpts from Confidential Executive Summary
A method of electronically reallocating a portion of a transaction amount in a transaction between a user and a vendor, comprising the steps of:	"...KBT can and will succeed in providing a mechanism for controlled savings and investment for education....KBT in partnership with participating retail institutions (worldwide) will collaborate in order to develop and implement a system of Planned Financial Success for its young depositors, while educating them about the methods and value of money." Page 1.
maintaining at least one user account;	"The essential method of banking within the KBT organization will rely heavily on technology. Specially designed and encrypted "cards" will be issued to depositors. All cards will bear particular "coding" and work automatically and interactively with the retail participant and the local KBT..." Page 1. See also the drawing on page 3; "1ST PIGGY BANK";
maintaining at least one vendor account;	"...Retailers such as Barnes & Nobel, Disney, McDonalds, Foot Locker and others could apply to KBT for "Icon Cards" these might carry a slightly higher participation rate while also offering special discounts or other incentives..." Page 1. See also the drawing on page 3; "VERIFIED ACCT/LOG ACCORDING TO THE AFFILIATE CONTRACT"
maintaining at least one user trust account;	"KBT intends that funds deposited are for education, and or business purposes only. That

	<p>funds deposited with the "Trust" are only released to the depositor and only available to parents or guardians under "special" circumstances..." Page 1.</p> <p>See also the drawing on page 3; "1ST PIGGY DATA - STOR. DEPOSITS FROM DATA CONVERT TO INSTRUMENT..."</p>
initiating said transaction for said transaction amount;	<p>"The back-bone of the KBT organization will be user friendly, bank and point of purchase..." Page 2.</p> <p>See also the drawing on page 3; "REGISTER PURCHASE"</p>
electronically distributing at least a portion reallocated from said transaction amount from said user account to said vendor account using at least one electronic system; and	<p>"...Most of the "system" under development utilizes common components with proprietary software..." Page 2.</p> <p>See also the drawing on page 3; "STANDARD READER TO PIGGY SOFTWARE"</p>
electronically distributing said portion reallocated from said transaction amount from said vendor account to said user trust account using at least one electronic system, wherein said portion allocated from said transaction amount in said user trust account is placed in a user investment vehicle for said user.	<p>See the entire drawing on page 3 and in particular "1ST PIGGY DATA - STOR. DEPOSITS FROM DATA CONVERT TO INSTRUMENT..."</p>

The chart above is just one example illustrating that Mr. Palmeri had conceived of the invention by the time this document was sent to Mr. Hamm, as the document when read in its entirety very clearly describes the concept of the claimed invention. We respectfully note that in order to antedate the Kalina reference, the Applicant needs to demonstrate conception of the invention and not necessarily a fully detailed embodiment.

We respectfully request that the Examiner again review the Declaration of Mr. Palmeri and the attached documents in this regard.

As to showing that Mr. Palmeri conceived of the claimed invention prior to the filing date of the Kalina reference and noting a clear date of conception, Mr. Palmeri's declaration established that Mr. Palmeri conceived of the invention at least as early as November 1, 1996. This date is demonstrated by the Confidential Executive Summary sent by Mr. Palmeri to Charles Hamm of Independence Savings Bank on that date and specifically noted by Mr. Palmeri

in his declaration. Mr. Palmeri also provided numerous examples of his ongoing attempts to implement the invention prior to his filing of the instant application.

Mr. Palmeri's declaration does not actually refer to the Kalina reference or its specific filing date because it was provided prior to the citation of that reference by the Examiner. Nevertheless it does provide a clear date of conception prior to the filing date of the Kalina reference. While the patent rules require only that the declaration actually establish a prior date (and not that it specifically refer to each reference), if what the Examiner desires is a supplemental declaration actually referring to the Kalina reference, Mr. Palmeri will gladly provide it upon request.

For these reasons, we respectfully submit that the Kalina reference is not prior art to the claimed invention.

Moreover, we also respectfully submit that Kalina, even if it were prior art to the claimed invention, which it is not, does not teach or suggest the claimed invention.

Accordingly, we respectfully request that the rejection under 25 U.S.C. 103(a) be withdrawn.

For the reasons set forth above, we respectfully submit that the solicited claims are now in proper condition for prompt allowance, which action is respectfully requested.

Respectfully submitted,



Frank A. Cona
Reg. No. 38,412

SEP 16 2005

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Art Unit : 3628
Examiner : Bui, Thach H.
Serial No. : 09/578,085
Filed: : May 24, 2000
Inventor : Richard Palmeri
Title : SYSTEM FOR ELECTRONIC
: RE-ALLOCATION OF A
: TRANSACTION AMOUNT TO
: AN INVESTMENT

Docket: 1029-03

Dated: September 16, 2005

CERTIFICATE OF FACSIMILE TRANSMISSION UNDER
37 CFR §1.8

Date of Transmittal: September 16, 2005

Description of Contents:

- Transmittal Form
- Response to Official Action dated June 16, 2005

I hereby certify that this paper or fee is being deposited with the United States Postal Service via First Class mail service under 37 CFR §1.8 on the date is being facsimile transmitted to the U.S. Patent and Trademark Office (Fax No. 703-872-9306).

Frank A. Cona

(Typed or printed name of person mailing paper or fee)

(Signature of person mailing paper or fee)